

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Report Highlights:

Important Points for Social Media Marketers * Trends from Canadian Restaurant and Foodservice Association and SIAL Canada Shows* Changing Demographics and the Effect on Future Eating Habits
* Growing Trend: Sustainable Seafood * Baking with Pulses – Healthy and Gluten-Free! * Upcoming Events * 2011 Reports from FAS Canada

Important Points for Social Media Marketers

Fresh Intelligence reports that Canadian mothers average 2.87 hours online per day, which is more than the time they spend watching television. Seventy percent of this time is spent researching food and recipes or communicating through Facebook where 77 percent of mothers have an account. Women between 30 and 55 are 2.6 times more likely to discuss groceries online than anyone else, and this social media interaction often effects buying decisions. When developing a social media plan, it's important to keep in mind that 43 percent of mothers who use the internet trust information from a friend's profile page while only 18 percent trust a company's social networking site. These numbers don't mean companies should abandon social media efforts, but should instead use them to engage consumers. Ads including discounts, free samples or information on the product and nutrition can encourage discussion amongst consumers and lead to increased interest.

Trends from the Canadian Restaurant and Foodservice Association and SIAL Canada Shows

FAS Canada attended both the SIAL and CRFA (Canadian Restaurant and Foodservice Association) shows in Toronto this year and several trends were spotted at both. Health foods continue to be a very important and showed no signs of slowing down, even during the recession. A seminar at SIAL by Agriculture and Agri-Food Canada outlined key growth segments in this sector as baby boomers, weekend warriors and expectant mothers. Products that address food intolerance also show a lot of promise and grew 4 percent in 2009 to \$24 million in sales, and the growth rate is expected to increase.

Ready-to-assemble or ready-to-eat meals have also remained popular, as consumers are still sensitive to the effects of the recession and cooking at home more but are looking to save time as well. Consumers are also looking for products that are guilt-free, both economically and nutritionally, so individually portioned treats such as ice cream and cheesecake are popular. A spin on these "affordable luxuries" is adding a touch of sophistication to comfort foods, such as macaroni and cheese with lobster or apple pie with white chocolate and cranberries.

In response to changing demographics in Canada, kosher and halal foods continue to grow in interest at both shows. Canadian Grocer reported that 25 percent of Canadians surveyed felt that kosher foods were safer than non-kosher foods and both kosher and halal foods have been showing strong sales growth.

Changing Demographics and the Effect on Future Eating Habits

NPD Group, a Canadian market research firm, recently reported on the results of its study into the projected eating habits of Canadians in the next ten years. Post-millennials, those born after 1993, are expected to skip more meals as they begin living on their own, with lunch being the most skipped meal. This growing consumer group is anticipated to want more salads and consume less salty/savory snacks.

Gen Xers, born 1967 to 1975, will be looking for simple breakfast foods such as ready-to-eat foods or boxed cereals. Yogurt, snack bars and proteins such as beef, chicken, fish and pork are predicted to

grow in popularity. Baby Boomers, the 55+ segment, continue to focus on foods that provide convenience as sales for salty/savory snacks; potato chips have increased among this older generation.

The study reports that salty and savory snacks, including cheese, and light meals such as yogurt and snack bars will show the most promise in the next 10 years. Health will remain a concern and 'smarter,' foods will be an important segment while heat and eat breakfasts, along with soups and stews will decline in importance.

Growing Trend: Sustainable Seafood

The sustainability of seafood has been growing in popularity across sectors of the Canadian food market. Loblaw Company, Canada's largest grocery retailer, as well as the country's largest buyer and seller of seafood, is working to ensure that by the end of 2013, every seafood product they carry is recognized as a 'certified sustainable' product. This not only includes fresh and frozen fish, but every brand of pet food, canned seafood, vitamins etc. that they carry. Manufacturers such as Jane's Family Foods, High Liner Foods and Bento have pledged to make their products certified sustainable in the next few years. Vancouver Aquarium's Ocean Wise program states that "sustainable seafood can be defined as species that are caught or farmed in a way that ensures the long-term health and stability of that species, as well as the greater marine ecosystem."

In addition, experts report that consumers are becoming more aware of the problems in the ocean and look for endorsements from organizations such as the Ocean Wise program, the Marine Stewardship Council, Sea Choice, Seafood Watch, the Monterey Bay Aquarium program, and the Blue Ocean Institute. Species recommended by Ocean Wise include sablefish (black cod) British Columbia spot prawns, North American albacore tuna, Arctic char, farmed shellfish, Pacific sardines, Pacific halibut, wild British Columbia and Alaskan salmon and Atlantic lobster.

Though some seafood stocks have significantly decreased, demand for seafood is expected to grow due to an increased awareness of the health benefits of eating fish. Both the World Health Organization and the United Nations support and advocate this increased consumption. In the foodservice sector, seafood sales have experienced double digit growth over the last five years, and were not affected by the economic downturn. In addition, seafood demand can be expected to grow with changing demographics and the influx of Asian immigrants to Canada.

Growing popular seafood items are value added products that are quick to prepare such as marinated or stuffed fillets, crab cakes and fish sticks.

Baking with Pulses – Healthy and Gluten-Free!

As consumer tastes have been turning to more ethnic flavors, pulses have been growing in popularity.

Hummus and black bean flavors have become everyday items among many Canadian households. Pulses also appeal to Canadian consumers looking for healthier food options as they have a low glycemic index and are high in fiber and vegetable protein. Studies have indicated that pulses may help lower cholesterol and be helpful in managing or preventing diseases such as diabetes and heart disease.

Bakers can also take advantage of these health benefits by incorporating pulses into their recipes. An added bonus is that pulses are gluten-free and can be used to add moisture to a recipe or can be turned into pulse flour which can be substituted into recipes. Pulses are already used in many products including tortillas, rotis, breads and crackers. In Canada, pulse and special crops growers are working with food manufacturers to maximize the use of pulse flours while ensuring the quality of the end product.

Private Label Stalling in Canada

Private label products' share of the Canadian market has been relatively flat in recent years. In 2010, private label accounted for an 18.1 percent dollar share of the market, which was down from 18.4 percent in 2009. In 2005, private label accounted for 19.3 percent of the market in Canada.

Canadian consumers continue to shop frugally, as during the recession, however 25 percent feel private label products look cheap, while only 40 percent believe private label products are a good option compared to name brands, indicating that packaging and emphasis on quality are two areas where manufacturers may choose to focus.

Upcoming Events in Canada

June			
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EAT! Vancouver	Vancouver, BC	June 10-12	www.eat-vancouver.com
August			
American Cheese Society Conference and Competition	Montreal, QC	August 3-6	www.cheesesociety.org/conference/overview
September			
Canada's Outdoor Farm Show	Woodstock, ON	September 13-15	www.outdoorfarmshow.com
Port of Wines Festival	Halifax, NS	September 28 - October 1	www.mynslc.com/Content_MarketingPages/Content_Events/Events_PortofFestival.aspx
Baking and Sweets Show	Mississauga, ON	September 30 - October 2	www.canadasbakingandsweetsshow.com
October			
The Canadian Coffee & Tea Show	Vancouver, BC	October 2-3	www.coffeeteashow.ca
Alberta Foodservice Expo	Calgary, AB	October 2-3	www.albertafoodserviceexpo.ca/
Rocky Mountain Wine & Food Festival	Calgary, AB	October 13-15	www.rockymountainwine.com
CHFA Expo East	Toronto, ON	October 13-16	www.chfa.ca/EVENTS/ExpoEast/tabid/330/language/en-US/Default.aspx
Rocky Mountain Wine & Food Festival	Edmonton, AB	October 21-22	www.rockymountainwine.com

Grocery Innovations Canada	Toronto, ON	October 24-25	www.groceryinnovations.com
November			
The Royal Agricultural Winter Fair	Toronto, ON	November 4-13	www.royalfair.org/home
Ottawa Wine & Food Show	Ottawa, ON	November 9-13	www.ottawawineandfoodshow.com
Gourmet Food & Wine Expo	Toronto, ON	November 17-20	www.foodandwineexpo.ca/sitepages

2011 Reports from FAS Canada

Report #	Name of Report	Date Submitted
CA11032	Top Ten U.S. Fresh Vegetable Exports to Canada	05/27/2011
CA11031	This Week in Canadian Agriculture – Issue 11	05/27/2011
CA11030	This Week in Canadian Agriculture – Issue 10	05/20/2011
CA11029	Top Ten U.S. Fresh Fruit Exports to Canada	05/19/2011
CA11027	This Week in Canadian Agriculture – Issue 9	05/06/2011
CA11025	Agent and Broker Directory – Central Canada	05/03/2011
CA11024	This Week in Canadian Agriculture – Issue 8	04/29/2011
CA11023	2011 Canadian March Planting Intentions	04/29/2011
CA11022	U.S. Wine Exports to Canada Show Explosive Growth	04/21/2011
CA11019	Dairy Trade Flows Between the United States and Canada	04/18/2011
CA11017	Exporting Alcoholic Beverages into the Canadian Market	04/08/2011
CA11016	Actions Taken Regarding Food Imports from Japan	04/08/2011
CA11015	Oilseed and Products	04/01/2011

CA11014	Grain and Feed Annual	04/01/2011
CA11013	This Week in Canadian Agriculture – Issue 7	03/29/2011
CA11011	Livestock - Semiannual	03/22/2011
CA11009	This Week in Canadian Agriculture – Issue 6	03/18/2011
CA11008	This Week in Canadian Agriculture – Issue 5	02/25/2011
CA11007	This Week in Canadian Agriculture – Issue 4	02/17/11
CA11006	Canada Food Trends – February 2011	02/17/11
CA11005	This Week in Canadian Agriculture – Issue 3	02/08/2011
CA11004	Grain and Feed	01/31/2011
CA11003	This Week in Canadian Agriculture – Issue 2	01/25/2011
CA11001	This Week in Canadian Agriculture – Issue 1	01/13/11